

Administrative Law Briefing: Special Edition

Amendments to Administrative Sanctions imposed on legal entities regarding the prevention and restraining of money laundering

A. Administrative Sanctions on Legal Entities Arising from Money Laundering Offences

B. Changes Introduced by Article 133 of Law 5090/2024

A. Administrative Sanctions on Legal Entities relating to Money Laundering Offences

1. Article 133 of Law 5090/2024 (**Article 133**) has made amendments to the administrative sanctions imposed by Article 45 of Law 4557/2018 (**Article 45**) on Legal Entities in respect of money laundering offences committed by specific categories of individuals employed by them.
2. Article 45 provides for the imposition of various administrative sanctions on legal entities:
 - a. for money laundering offences committed by individuals which hold a managerial position in, are authorized to represent, make decisions on behalf of and/or exercise control within, the legal entity, regardless of whether they are instigators or accomplices (together, **Authorised Persons**); and
 - b. in cases where the lack of supervision or control by an Authorised Person has made it possible for an individual supervised by them to commit a money laundering offence, either for the benefit of the legal entity or while acting on its behalf; irrespective of any civil, disciplinary, or criminal liability of the individuals involved.

B. Changes Introduced by Article 133 of Law 5090/2024

1. The fine imposed on legal entities for money laundering offences ranges between €50k and

€10m and is always imposed, irrespective of the imposition of any other sanctions. If the profit derived from the money laundering offence:

- a. can be determined, the amount of the fine is set at a minimum of twice the amount of the profit;
 - b. cannot be determined, Article 133 quadruples the minimum amount for the fine from €1m to €4m.
2. Article 133 broadens the scope of the sanction providing for permanent or temporary disqualification from tenders to include all public sector tenders.
 3. Article 133 removes the prerequisite that an irrevocable court decision convicting a person for their involvement in a money laundering offence has been issued for sanctions to be imposed.
 4. A further administrative fine is imposed on legal entities where the lack of supervision or control by an Authorised Person has made it possible for an individual supervised by them to commit a money laundering offence, whether for the benefit of the legal entity or on its behalf. The fine in this case ranges from €10k and €5m. If the profit derived from the money laundering offence:
 - a. can be determined, the exact amount of the fine is set at a minimum of twice the amount of the profit;
 - b. cannot be determined, Article 133 has doubled the minimum amount of the fine from €1m to €2.5m.



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